# **Department of Legislative Services**

Maryland General Assembly 2021 Session

## FISCAL AND POLICY NOTE First Reader

House Bill 472 (Delegate P. Young)

**Environment and Transportation** 

#### **Agriculture - Use of Glyphosate - Prohibition**

This bill prohibits the use of glyphosate in the State on or after October 1, 2022.

### **Fiscal Summary**

**State Effect:** State expenditures (multiple fund types) increase significantly, and State revenues (multiple fund types) decrease significantly, generally beginning in FY 2023, as discussed below.

**Local Effect:** Local expenditures increase beginning in FY 2023, as discussed below. Revenues are not expected to be directly affected.

**Small Business Effect:** Meaningful.

### **Analysis**

Current Law: The Secretary of Agriculture is required to take various actions to regulate pesticide use, including (1) adopting rules and regulations governing the storage, sale, distribution, exchange, use, and disposal of any pesticide and its container and (2) prescribing, when necessary, the time and conditions under which a pesticide may be sold, distributed, exchanged, or used in different areas of the State. Maryland Department of Agriculture (MDA) regulations require that a person observe all precautions in the handling, use, storage, and disposal of pesticides, so that nontarget areas or organisms, including humans, do not suffer injury, and unreasonable adverse effects on the environment do not occur or are minimized.

Generally, to be sold, distributed, or used in Maryland, a pesticide must be registered by both MDA and the U.S. Environmental Protection Agency. Specified pesticides that have greater potential for causing harm are designated as "restricted use pesticides" and may only be used by a certified applicator or a person working under the supervision of a certified applicator. Each commercial application of any pesticide must be under the supervision of a certified applicator who is responsible and liable for the application.

Civil and criminal penalty and liability provisions apply to violations of Subtitle 2 ("Pesticide Applicator's Law"), Title 5 of the Agriculture Article, to which the bill's prohibition is added. A person who violates any provision of the subtitle is subject to a civil penalty of up to \$2,500 for a first violation and up to \$5,000 for each subsequent violation. Several considerations must be taken into account in assessing a penalty, including the willfulness of the violation, the extent to which the existence of the violation was known to the violator but uncorrected by the violator, and the extent to which the violator exercised reasonable care.

Additionally, local jurisdictions are not preempted from imposing more stringent requirements on the use of pesticides.

**State Fiscal Effect:** State expenditures (multiple fund types) increase, primarily to implement alternatives to glyphosate use to control weeds and invasive plants. Specified State revenues also decrease (multiple fund types) due to loss of grant funding, research/educational agriculture revenues, and pesticide registration fee revenues. While potentially not reflecting all State government impacts of the bill, several State agencies and higher education institutions that responded to requests for information expect the following direct impacts from the bill's prohibition:

- Department of Natural Resources: Costs increase by at least \$250,000 annually for use of alternative herbicides by the Forest Service, Wildlife and Heritage Service, and Maryland Park Service, and for a seasonal worker for manual weed control in the State nursery.
- Maryland Department of Transportation: Costs increase by at least \$400,000 annually for the State Highway Administration to use alternative herbicides (including increased labor and personal protective equipment for the alternative herbicides). Maryland Aviation Administration costs also increase, but the extent of the increase has not been quantified.
- University of Maryland, College Park Campus (UMCP) and University of Maryland Eastern Shore (UMES): (1) *Grant revenue*: UMCP expects to lose a recently awarded, multi-year federal grant of just over \$3.0 million to study glyphosate (returning the full grant also affects revenues prior to fiscal 2023), and an additional \$100,000 annually, beginning in fiscal 2023, in other glyphosate-related grant funding; and (2) *Agriculture research/education facilities*: UMCP expects a HB 472/Page 2

negative fiscal impact of approximately \$100,000 annually from reduced cost recovery at its research and education centers (a combination of increased weed control costs and reduced agriculture revenue). UMES expects just over \$40,000 in reduced agriculture revenue annually, increasing to more than \$50,000 annually by fiscal 2025, and approximately \$4,000 in increased herbicide application costs annually.

- St. Mary's College of Maryland: Costs increase by approximately \$8,500 annually for alternative herbicides and increased labor.
- MDA: (1) Pesticide registration fee revenue: State Chemist pesticide registration fee revenues (\$110 per product) decrease by just over \$20,000 annually; and (2) Inspection and other costs: Pesticide Regulation inspection, outreach, and training costs increase minimally.

The Department of General Services, Morgan State University, and Baltimore City Community College do not expect the bill to materially affect their finances or operations.

Any penalties imposed for violations of the bill's prohibition are not expected to materially affect State finances.

**Local Expenditures:** Local government expenditures increase for at least some jurisdictions to implement alternatives to glyphosate use to control weeds and invasive plants. While potentially not reflecting all local impacts of the bill, local governments and school systems that responded to requests for information expect the following direct impacts from the bill's prohibition:

- Maryland National Capital Park and Planning Commission: (1) *Montgomery Parks:* Costs increase by just over \$135,000 annually for a horticulturalist and alternative herbicides; and (2) *Prince George's County Parks and Recreation:* Cost increase by just over \$150,000 annually for a horticulturalist and alternative herbicides.
- Montgomery and Prince George's counties: Costs may increase elsewhere in county government for weed and invasive plant management, including for their transportation departments.
- City of Havre de Grace: Costs increase by just over \$65,000 annually for an additional employee to replace chemicals with labor to maintain city parks and shoreline restoration projects.
- Frederick County Public Schools: Costs increase by \$30,000 annually for alternative herbicides and personal protective equipment.
- St. Mary's County Public Schools: Costs increase by \$500 annually for alternative herbicides.

Howard County indicates the bill does not have a fiscal impact on the county.

Any penalties imposed for violations of the bill's prohibition are not expected to materially affect local finances.

**Small Business Effect:** Glyphosate is one of the most commonly used herbicides in the State, and small businesses across a wide variety of industries (agriculture, landscaping, golf courses, *etc.*) could incur significant costs to shift to more expensive alternative pesticides or other weed and invasive plant control methods. Farmers, particularly, could incur significant costs and/or revenue losses in the event that glyphosate becomes unavailable.

#### **Additional Information**

**Prior Introductions:** None.

**Designated Cross File:** None.

Information Source(s): Howard, Montgomery, and Prince George's counties; Maryland-National Capital Park and Planning Commission; City of Havre de Grace; Baltimore City Community College; University System of Maryland; Morgan State University; St. Mary's College of Maryland; Maryland Department of Agriculture; Department of General Services; Department of Natural Resources; Maryland Department of Transportation; Frederick County Public Schools; St. Mary's County Public Schools; Department of Legislative Services

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